

EIC-M-63  
12 November 1957

ANNOUNCEMENTS

2. The Acting Chairman announced:

a. The EIC-approved statement of Priority National Economic Intelligence Objectives was approved by the IAC on 20 August 1957.

b. The EIC Subcommittee on Petroleum prepared a coordinated statement on "Trends in Middle East Oil" for use in NIE 30-2-57, Near East Developments Affecting US Interests.

c. Annual reports have been received from all subcommittees and forwarded to the interested EIC representatives.

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d. The EIC has approved, by interim action, the appointments of [REDACTED] CIA, as Chairman of the Subcommittee on Electric Power and Solid Fuels; and of Harry H. Bell, State Department, as Chairman of the Subcommittee on International Trade and Finance.

e. The Chairman has received a letter from the Director of Central Intelligence commending the EIC on its series of biweekly and semiannual reports on Sino-Soviet Bloc Economic Activities in Underdeveloped Areas, and complimenting the members of the Working Group engaged in the preparation of these reports. Copies of the commendation have been distributed to the EIC representatives of agencies participating in the Working Group.

REVIEW OF ACTIVITIES OF SUBCOMMITTEE ON AGRICULTURE

3. Discussion:

The Chairman of the Subcommittee on Agriculture commented briefly on the SC's current activities and plans for the future. Fiscal Year 1957 was devoted largely to the preparation of a report on Policies, Performance, and Prospects of Soviet Agriculture. This report, which is nearing completion, will fill many gaps in economic intelligence on Soviet agriculture. It was noted that the SC's Terms

of Reference were approved in 1951 and do not reflect changes in the concept and functions of subcommittees since that time. The SC Chairman was asked if he thought it would be useful to broaden the SC's work so as to cover non-Bloc areas. He stated that the SC had long felt the need for such extension and thought that additional activities covering important non-Bloc problems would be fruitful.

4. Action:

The Subcommittee was commended for its activities. It was agreed that the SC should continue its work as outlined in its last annual report; that when the study on Policies, Performance, and Prospects of Soviet Agriculture is completed, the SC should review its Survey of Priority Research Deficiencies; and that the SC Terms of Reference should be reviewed and updated. (See paragraph 7. below.)

9 October 1957

EIC/S BRIEF ON SUBCOMMITTEE ON AGRICULTURE

REFERENCES: General Concept and Functions of EIC Subcommittees,  
EIC-D-123/2, 20 December 1955  
SC Terms of Reference, 25 October 1951  
SC Annual Report for FY 1956, see EIC-D-187,  
19 October 1956  
SC Annual Report for FY 1957, see EIC-D-249,  
18 September 1957  
Recapitulation of EIC Subcommittee Activities  
FY 1955, FY 1956, and First Half FY 1957 (Chart)

Tab ~~2~~ D  
Tab 6-2  
Tab E-1  
Tab G

1. This has been a relatively active subcommittee. Formal meetings are scheduled only as required, many problems being handled by informal coordination. During FY 1956 two meetings were held; two were held during FY 1957; and one has been held so far during FY 1958, with a second meeting planned for the near future. The principal activity of this subcommittee during FY 1957 has been the preparation and coordination of an EIC report -- EIC-P-12 -- on "Policies, Performance and Prospects of Soviet Agriculture", undertaken at the request of the Department of State for a "new look" at the Soviet agricultural situation. Early in the development of the study, the subcommittee discussed and agreed upon the questions which this study should attempt to answer, and prepared an outline for the analysis, which was approved by the EIC. To date, ten draft sections of the project have been considered by the subcommittee and detailed suggestions made for incorporation in the final draft.

2. In addition to its work on EIC-P-12, the activities of the Agriculture Subcommittee during FY 1957 included:

- a. Review of two EIC Post-Mortems and one Validity Study;
- b. Review of the proposed extension of a CIA-sponsored external research project on the "Agricultural Economy of the USSR";
- c. Review of three exchange proposals: on hybrid corn; chemical fertilizers and insecticide production; and reclamation and waterpower;

- d. Review of status of research deficiencies and recommendations for filling the gaps, as indicated in the SC "Progress Report on Priority Deficiencies of Research";
  - e. Informal discussions of research techniques held in connection with the coordination of draft sections of EIC-P-12; and
  - f. Continued pooling of information on Soviet crop production by specialists from the Departments of State and Agriculture, and CIA. This cooperation has resulted in the adoption of agreed estimates. The draft sections of EIC-P-12 contain statistical series on production and utilization of grain, potatoes, and wheat. Other sections will contain statistical series on all the important agricultural commodities, acreages, machinery, agricultural investment, etc.
3. The subcommittee evaluates its role as follows:
- It "has been effective as a medium for inter-agency review and coordination, and as a mechanism for improving economic intelligence research within its field of interest".
4. The future program of the subcommittee, as outlined in its Annual Report for FY 1957, is as follows:
- a. No changes in the structure or in the functions of the subcommittee are contemplated.
  - b. The subcommittee will devote considerable time in the coordination of EIC-P-12. The report should be finalized for presentation to EIC during FY 1958.
  - c. The subcommittee will continue to identify gaps in research and collection.
  - d. It will review external research projects as submitted to it.
  - e. The subcommittee will continue to serve as a coordinating body for all agencies and departments having responsibilities in food and agriculture; and
  - f. It will be alert to indications of overt activities or situations in the field of food and agriculture throughout the world which could adversely affect the security of the U.S.

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NOTES AND RECOMMENDATIONS (For Chairman Only)

5. The following agencies are represented on this Subcommittee:

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CIA

Chairman

Executive Secretary

State

Mrs. Luba Richter

Army

George C. Fowler

Air Force

Lincoln D. Pruitt

ECA

E. H. Holmgren

Agriculture

Gustave Burmeister

Health, Education &

Dr. Arthur G. Peterson

Welfare

6. This SC has been performing on a closely-knit basis for a number of years, has its mission well in mind, and its work laid out. Their principal task during the year ahead will be the finalizing of the report on "Policies, Performance and Prospects of Soviet Agriculture" as a subcommittee report for presentation to the EIC. Most of the basic sections are now in draft form and are being reviewed and coordinated by the subcommittee. A considerable amount of work in coordinating, editing, and finalizing this paper still remains to be done in FY 1958.

7. The problem of security clearances had plagued this SC in earlier years but as all active participants now have security clearances through ~~SECRET~~ [although some do not have behind-the-barrier clearance], clearance is no longer a real problem in SC operations.

8. Only SC representatives of two agencies (State, Agriculture) other than CIA are real experts in Russian agriculture. Other agencies have only a collateral interest and their representatives are not experts in the field. In practice, no matter of importance on Russian agriculture is resolved by CIA members without reference to the other 2 agencies and, as a rule, these agencies follow the same procedure for projects being worked on in their agencies. This coordination is, and has been, close and continuing.

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9. It is recommended that the SC should continue its operations along the lines indicated in its annual report.

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*thinks after this w/Russ. Agr. Study,*

- 1) SC should update Priority Deficiencies in Research  
*(as it is spelled out more clearly, & can relate prog. to deficiencies)*
- 2) T/R should be revised to reflect Basic Concepts  
*& Functions, etc.*

*Non - Blc extension of SC activities*

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